

The IMF bears responsibility for Asia's troubles. With the U.S. Treasury in 1995, it delivered unprecedented sums to bail out banks and investors who made reckless loans to Mexico. That rescue then encouraged investors to make riskier extensions of credit to Asia, Russia and Latin America. That led to overcapacity—too many factories unprofitably producing computer chips, cars and clothes, often under government direction—and to the current crisis.

Instead, incredibly, "the free market and the unfettered flow of capital across borders are being vilified as causes of this disaster," writes economist John Makin of the American Enterprise Institute. The French and the British actually want to give the IMF more power, and plans to restrict capital flows abound.

Still, someone has kept his head. Treasury Secretary Robert Rubin has advanced a sensible proposal: Make credit available to sound countries that may be suffering liquidity problems (that is, need cash) but that haven't fallen into deep crisis.

I'd like to expand this idea and obviate the need for an IMF altogether. Set up a streamlined international lending institution that would have constantly available funds, under these four conditions:

(1) Loans would be made only at "penalty rates"—certainly higher than the 4.5 percent that Korea recently paid.

(2) Nations borrowing money must put up their best collateral, such as U.S. Treasury bills or gold.

(3) Borrowers must allow foreign banks to operate within their borders and be able to purchase their domestic banks. The best way to reform a rotten financial system is to admit good, free-market bankers.

(4) Borrowers must subscribe to a new bankruptcy convention that would adopt laws similar to those in the United States and Europe. Lenders have to know that they can seize assets in a default.

At the same time, the world's financial moguls need to: (a) pressure Japan, another villain in the tale of Asia's collapse, to fix its banking sector immediately and reflate the yen; (b) reaffirm the importance of free trade and reject restrictions on the flow of capital; and (c) use the World Bank to alleviate the suffering of innocents in countries such as Indonesia, victims of economic crimes committed by others, including the IMF.

As for the extra money that the IMF wants and Congress has failed to approve: for credit under these new arrangements, as long as Japan reorganizes its banking sector, yes; otherwise, no. Right now, withholding cash is the best leverage for reform that we've got.

REPUBLIC OF CHINA'S NATIONAL DAY

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. BILIRAKIS. Mr. Speaker, I would like to call attention to the National Day of Republic of China on Taiwan. This day commemorates the Wuchang Uprising on October 10, 1911, which led to the establishment of the ROC on January 1, 1912.

The United States' relationship with Taiwan dates back to the end of World War II. In the 1950s and 1960s, U.S. forces used Taiwan as a forward base against Sino-Soviet communism in Asia. Over the years, we have developed strong economic, political and social

ties with both the government and people of Taiwan.

Today, Taiwan is one of our most significant trading partners. With one of the largest economies in the world, the nation has done remarkably well during the current economic turmoil that has been engulfing other Asian countries. Taiwan's sound fiscal policies have enabled it to remain strong and provide economic assistance to its neighbors during this difficult time.

Over the past decade, the Republic of China has moved rapidly toward becoming a democratic society. Free and fair elections are routinely held at the local and national levels, and approximately 70 percent of engine voters participate in ROC elections. Taiwan is a shining example of freedom and democracy in a part of the world in need to role models.

America must stand by its long-standing commitment to the people and government of Taiwan. I hope that we will be able to continue our partnership and friendship with the ROC well into the next millennia.

I want to extend my best wishes to the people of Taiwan on the occasion of the Republic of China's National Day.

A TRIBUTE TO DR. MOUSTAPHA ABOU-SAMRA

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. GALLEGLY. Mr. Speaker, I rise to pay tribute to Dr. Moustapha Abou-Samra, this year's recipient of the Physician of the Year Award from the Ventura County Medical Resource Foundation.

Dr. Abou-Samra, a neurosurgeon who practices at Community Memorial Hospital, Ventura County Medical Center and St. John's Hospital, has made valuable contributions to Ventura's medical community for nearly 20 years.

He is president of the Community Memorial Hospital Foundation, serves on its Board of Trustees and is a member of the Benefactor's Committee. At Ventura County Medical Center, Dr. Abou-Samra served as president of the medical staff, was Chief of Surgery, and served as Chairman of the Quality Assurance Committee and of the Ethics Committee.

Dr. Abou-Samra also taught classes on "Understanding Cancer." He served as the president of the board for the American Cancer Society and was presented the prestigious Golden Sword Award by the organization. Dr. Abou-Samra introduced and coordinated the "Think First Program," a head and spinal prevention program that has become recognized nationwide.

Dr. Abou-Samra also has served on numerous other boards, including the Easter Seals Board of Medical Directors, the Ventura County Symphony and St. Paul's Parish Day School. He is currently on the board of the Ojai Festival.

Dr. Abou-Samra is obviously deserving of this award.

Mr. Speaker, I know my colleagues will join me in recognizing Dr. Abou-Samra for his many years of promoting a healthy America and wish him many more years of service to the medical community.

COMMENDING THE MEMBERS OF THE MARINE SECURITY GUARD

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 7, 1998

Mr. FROST. Mr. Speaker, I rise today to bring to the attention of the House the bravery and heroics of the members of the Marine Security Guard at our embassies in Nairobi, Kenya and Dar Es Salaam, Tanzania following the horrific and tragic bombing there on August 8. I have the honor of submitting for the CONGRESSIONAL RECORD a report filed by Lt. Colonel Dennis Sabal which details the devotion to duty and courage under fire exhibited by the Marines who were charged with the responsibility of guarding those two embassies. It is a credit to our Nation that our Marines have and will continue to guard, in the words of Lt. Col. Sabal, "Americans and America's interests abroad, as marines have done for over 222 years."

COLONEL BURGESS: It has been almost 96 hours since the devastating blasts ripped through the American Embassies in Nairobi, Kenya and Dar Es Salaam, Tanzania. With the situation at both embassies now somewhat stabilized, I want to take a few moments and attempt to paint a picture of the events leading up to the blasts as well as provide you with a commander's perspective of the actions of our Marines subsequent to the explosions.

On Friday morning, 8 August 1998 at 10:30 am local Kenyan time (03:30 EST), Corporal Samuel Gonite was standing Post One in the American Embassy in Nairobi, Kenya. At approximately 10:35, Marine Sergeant Jesse "Nathan" Aliganga walked into the embassy to cash a check. Corporal Gonite watched Sergeant Aliganga walk past Post One, get onto the elevator, and ascend to the bank.

At the same time and unbeknownst to anyone in the embassy, two men pulled up to the rear guard shack of the embassy, which was manned by the local Kenyan security force. This parking lot, which was sandwiched in between a 60 story bank building and a smaller bank building, was also the entrance into the underground garage for the embassy. Reportedly, a man approached the local guard and demanded he open the gate (leading into the embassy's underground garage) to which the local guard refused. At this time, the man hurled what was believed to be a grenade in the direction of the guard.

Inside the embassy, people heard the explosion and reportedly got up to look out of their windows when at 10:40 am, a truck filled with explosives crashed into the rear wall of the embassy adjacent to the underground garage, and exploded. Corporal Gonite was immediately knocked to the ground by the concussion of the blast. The glass surrounding Post One was shattered but remained in tact. The detachment commander, Gunnery Sergeant Cross, upon hearing the first blast, immediately went for the ladder well and was shielded from the main blast. The Chancery was in shambles.

When the truck exploded, the small bank building behind the embassy collapsed onto the chancery's emergency generator, spilling thousands of gallons of diesel fuel into the basement of the embassy. The diesel fuel ignited and smoke and fire were billowing throughout the embassy. As injured and confused people were running out of the chancery screaming and choking, the Marines were running into the building looking for survivors.